

2024 Third Extraordinary Session

HOUSE BILL NO. 17

BY REPRESENTATIVE RISER

TAX CREDITS: Accelerates termination of the higher amount of the earned income tax credit (Item #5)

1 AN ACT

2 To amend and reenact R.S. 47:297.8(A)(2), relative to individual income tax credits; to
3 provide for the earned income tax credit; to reduce the amount of the credit; to
4 provide for applicability; to provide for an effective date; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:297.8(A)(2) is hereby amended and reenacted to read as follows:

8 §297.8. Earned income tax credit

9 A.

10 * * *

11 (2) For tax years beginning on or after January 1, 2019, through ~~December~~
12 ~~31, 2030~~ December 31, 2024, there shall be a credit against the tax imposed by this
13 Chapter for individuals in an amount equal to five percent of the federal earned
14 income tax credit for which the individual is eligible for the taxable year under
15 Section 32 of the Internal Revenue Code.

16 * * *

17 Section 2. The provisions of this Act shall be applicable to taxable periods beginning
18 on or after January 1, 2025.

19 Section 3. This Act shall become effective upon signature by the governor or, if not
20 signed by the governor, upon expiration of the time for bills to become law without signature

1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
2 vetoed by the governor and subsequently approved by the legislature, this Act shall become
3 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 17 Original

2024 Third Extraordinary Session

Riser

Abstract: Accelerates the termination date of the higher amount of the earned income tax credit from Jan. 1, 2031, to Jan. 1, 2025, thereby making the amount of the state credit equal to 3.5% of the amount of the taxpayers federal tax credit beginning Jan. 1, 2025.

Present law provides for a refundable individual income tax credit equal to 5% of the amount of a resident taxpayer's federal earned income tax credit authorized pursuant to Section 32 of the Internal Revenue Code. Beginning Jan. 1, 2031, the amount of the credit shall be reduced to 3.5% of the taxpayer's federal earned income tax credit.

Proposed law accelerates the termination date of the higher amount of the credit from Jan. 1, 2031, to Jan. 1, 2025, thereby making the amount of the state credit equal to 3.5% of the amount of the taxpayers federal tax credit beginning Jan. 1, 2025.

Proposed law is applicable to tax years beginning on or after Jan. 1, 2025.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:297.8(A)(2))